

## Letter of Credit Not Acceptable in Lieu of Bond

### New Procedure

Do not submit a letter of credit in lieu of a vehicle/vessel bond.

### Background

Currently, the *Handbook of Registration Procedures*, Chapter 30, Section 30.035, states that a letter of credit may be accepted as a form of guarantee in lieu of a vehicle/vessel bond. After further review, it was determined that a letter of credit is not an acceptable substitute for a vehicle/vessel bond. Future handbook revisions will reflect the new procedure.

### Reference

*Vehicle Code* §§4157-4158, 9923-9924, and 308050-308055.

*Code of Civil Procedures* §995.710

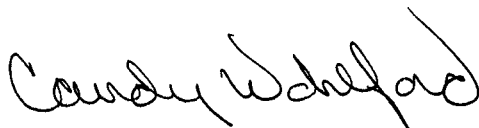
*Civil Code* §2787

### Distribution

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### Contact

Call the DMV Customer Communications Section at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.



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